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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

BEFORE THE POSTAL RATE COMMISSION WASHINGTON DC 20268-0001

POSTAL RATE AND FEE CHANGES, 2000) Docket No. R2000-1

FIRST SET OF INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC.
TO UNITED STATES POSTAL SERVICE WITNESS BRADLEY (MPA/USPS-T18-1-10)

(MARCH 21, 2000)

Pursuant to the Commission's Rules of Practice, Magazine Publishers of America, Inc. hereby submits the attached first set of interrogatories (MPA/USPS-T18-1-10) to USPS Witness Bradley.

Respectfully submitted,

James R. Cregan

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Counsel

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FIRST SET OF INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC. TO USPS WITNESS BRADLEY

<u>MPA/USPS-T18-1.</u> Please refer to your Testimony at page ii. Aside from your work for the Postal Service and foreign postal administrations, please itemize and describe work you have performed for transportation providers.

<u>MPA/USPS-T18-2.</u> Please refer to your Testimony at pages 14-15. Please provide documentation of the changes in the performance requirements for purchased highway transportation that have resulted from the "restructuring" that you describe.

<u>MPA/USPS-T18-3.</u> For each of the 17 econometric equations you estimate for purchased highway transportation, please provide the proportion of (BY98) contract records that were also active contracts in FY96.

MPA/USPS-T18-4. Please refer to your Testimony at pages 19-20, and at page 23. Please provide copies of — or references to — all documents on which you rely for specifying separate models for vans and tractor trailers within the intra-P&DC, intra-CSD, inter-P&DC, inter-cluster and inter-area account categories.

<u>MPA/USPS-T18-5.</u> Please refer to your Testimony at page 27. Please provide documentation of the "TOFC specifications" that substantiate your assumption of 2700 cf per trailer for all plant load power-only contracts.

MPA/USPS-T18-6. Please refer to your Testimony at page 28, lines 14-19. Please supply the numerical values used to implement the listed criteria in each of the 17 data sets.

<u>MPA/USPS-T18-7.</u> Please refer to your Testimony at page 34.

- a. Please supply the results of all tests for "equation heterogeneity" that you may have applied, including the "Chow test."
- b. Please provide a reference to a standard econometric textbook or other equivalent source regarding the application and interpretation of the "Chow test" in the presence of heteroskedasticity.
- c. Please explain how the presence of heteroskedastic errors affects the variances you refer to on line 15.

<u>MPA/USPS-T18-8.</u> Please provide a reference to a standard econometric textbook or other equivalent source for the formulae and methods you use to compute the values in the column labeled "Wald Statistic" in Table 8 on page 37 of your Testimony.

MPA/USPS-T18-9. Please refer to your Testimony at page 56. Please provide complete documentation showing the derivation of the figure 11.2 that appears on line 4. Please provide separate estimates for each highway contract type.

<u>MPA/USPS-T18-10.</u> Please refer to your Workpaper WP-3 at page 5. Please supply the definitions of the different values taken by the following variables in HCSS:

- a. REN
- b. CONTYPE

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with the Commission's Rules of Practice.

Anne R. Noble

Washington DC March 21, 2000